

THE BUDGET PROCESS

The annual budget is developed over a several month period beginning in January and concluding with the adoption of the budget ordinance by the City Commission in June. The process is directed and coordinated by the Finance Department on behalf of the City Manager with extensive involvement from the directors and managers of the City's service areas and programs.

The fiscal year 2015-2016 budget continues the budgeting philosophy adopted by the City in 1993 known as the Battle Creek Revenue Controlled budget (BCRCB or RCB). The plan has been revised to manage fund balance at the fifteen percent target level and allocate excess for capital improvements.

The fiscal year 2015-2016 adopted budget, authorizes total General Fund expenditures of approximately \$45.4 million. When combined with the authorized expenditures of the City's special revenue, enterprise, internal service and other funds, the City's total budget for fiscal year 2015-2016 is approximately \$118.4 million.

Effectively managing the financing of City operations requires consideration of many factors, and the City is heavily influenced by developments in the state and national economies. Battle Creek has managed to maintain essential operations in spite of less than favorable economic state conditions.

THE GENERAL FUND

The General Fund is used to account for all resources and expenditures not specifically accounted for in other funds. Most of the current activities of the City

are accounted for through this fund, which covers a wider range of activities than other funds.

The General Fund budget for fiscal year 2015-2016 is based upon total estimated revenues of \$45 million, an increase of 0.54% from projected revenues for 2014-2015. Of this amount, approximately \$36.8 million, or 81.2% will be financed from the City's three primary revenue sources, income taxes, property taxes, and state shared revenues.

For presentation of General Fund expenditure information, departments/areas of the budget are combined into the following components: Administration, Community Development, Finance, Police Department, Fire Department, Dispatch, Public Works, and Parks and Recreation.

These major budget components account for a total of \$40.0 million, or 88.1% of the total gross General Fund expenditure budget for the fiscal year. The balance of the budget, approximately \$5.4 million, is made up of expenditures for a variety of special items, the largest of which are street construction contribution, the expenditures made from the General Fund for data processing services, a contribution to the Transit Fund, and a contribution to Neighborhoods, Inc.

CITY MILLAGE RATE

As mentioned previously, the City's General Fund budget is based in part upon local property taxes. The city's total millage rate did not increase for the fiscal year and is 14.736 mills. The components of the millage rate are: Operating 8.740, P&F Retirement 4.496 and Streets 1.500.

CITY OF BATTLE CREEK,
MICHIGAN

ANNUAL BUDGET

FOR THE FISCAL YEAR
ENDING JUNE 30, 2016



ANNUAL BUDGET

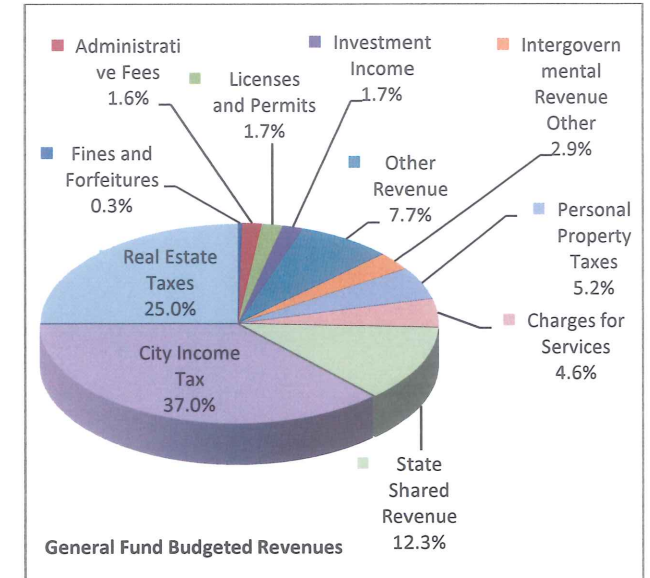
FISCAL YEAR ENDING JUNE 30, 2016

GENERAL FUND REVENUES

Taxes:	
City Income	\$ 16,825,000
Real Estate	11,341,848
Personal Property	2,364,045
Administrative Fees	733,497
Total Taxes	31,264,390
Licenses and Permits	759,875
Intergovernmental:	
State-Shared Revenue	5,602,790
Other	1,316,834
Total Intergovernmental	6,919,624
Charges for Services:	
Parks and Recreation	1,190,490
Police Services	797,982
Other	93,754
Total Charges for Services	2,082,226
Fines and Forfeitures	150,800
Interest	751,876
Other:	
Rents and leases	252,531
Contributions/Donations	114,843
Miscellaneous	329,395
Operating Transfers In	1,666,248
Administrative Reimbursement	1,126,583
Total Other	3,489,600
Total Revenue and Other Financing Sources:	\$ 45,418,391

GENERAL FUND EXPENDITURES

Administration	\$ 3,645,279
Community Development	834,898
Finance	2,847,605
Police Department	16,465,872
Fire Department	9,035,700
Dispatch	1,296,794
Public Works	2,226,912
Parks and Recreation	3,654,435
Transfers	3,300,610
Other	2,110,286
Total	\$ 45,418,391



SUMMARY BY FUND TYPE

Fund	Revenues & Transfers In	Expenditures
General	\$ 45,418,391	\$ 45,418,391
Special Revenue	7,939,861	7,960,116
Debt Service	1,743,080	1,743,080
Capital Project	3,091,909	3,222,680
Enterprise	38,518,038	38,075,181
Internal Service	21,987,880	21,827,854
Trust & Agency	98,000	146,000
Total All Funds	\$ 118,797,159	\$ 118,393,302

